

Let's Plan for the Future!

Economic Opportunity Division
Indiana Department of
Transportation



INDIANA DEPARTMENT OF TRANSPORTATION (INDOT)

■ Economic Opportunity Division

<http://www.in.gov/indot/2392.htm>

- DBE and ACDBE Certification
- DBE Supportive Services
- EEO Contract Compliance
- Annual DBE Goal and Contract Goals
- Non-Discrimination, Environmental Justice and Americans with Disabilities Compliance



UNIFIED CERTIFICATION PROGRAM (UCP)

- INDOT is responsible for all Departments of Transportation Disadvantaged Business Enterprise (DBE) Certification Decisions for the State of Indiana. This includes:
 - Federal Highway Administration (FHWA)
 - Federal Aviation Administration (FAA)
 - Federal Transit Administration (FTA)



What is a Disadvantaged Business Enterprise?

- A Disadvantaged Business Enterprise (DBE) is a for-profit small business concern that is:
 - at least 51% owned by one or more individuals who are both socially and economically disadvantaged; and
 - whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged owners.



What is Social and Economic Disadvantage?

- Social –

- Citizen or lawfully admitted permanent resident
- Groups with presumed social and economic disadvantage:
 - Black Americans
 - Hispanic Americans
 - Native Americans
 - Asian-Pacific Americans
 - Subcontinent Asian Americans
 - Women
 - Others must prove social and economic disadvantage



What is Social and Economic Disadvantage? (cont.)

■ **Economic –**

- Owner's personal net worth cannot exceeds \$1,320,000.00, excluding the value of their primary residence and assets of the firm applying for DBE certification.
- Firm's average annual gross receipts may not exceed Small Business Administration size standards, and in any case may not exceed a \$22.41 million average over the previous three fiscal years.



DBE Program Objectives

■ What are the objectives of the DBE Program?

- Help remove barriers facing small and disadvantaged businesses to achieve greater participation in U.S. DOT federal aid contracts
- Ensure that only firms that fully meet the eligibility standards set forth in federal regulations are permitted to participate in the program
- Assist in the training and development of DBE firms to achieve successful competition in the marketplace



DBE Program Benefits

- **What are the benefits of being a certified DBE?**
 - DBE certification benefits firms that wish to work on an INDOT or LPA contract as a **subcontractor or subconsultant** OR for the airport as an **airport concessionaire**.
 - DBEs are used by prime contractors to satisfy INDOT contract DBE goals. (Concessionaires satisfy FAA goals.)
 - DBEs may participate in a variety of supportive services such as training and technical assistance.
 - DBEs receive numerous special mailings containing information on contracting and other opportunities.
 - INDOT's DBE Certified Directory is used by many firms to locate subcontractors for their projects.
 - Website to the DBE Public Search:
 - <http://www.in.gov/indot/2392.htm>



DBE Subcontractors

- Top subcontracting services that DBEs provide on INDOT construction contracts in order of frequency:
 - Signs & Signals
 - Hauling
 - Guardrail
 - Landscaping & Erosion Control
 - Pavement Markers
 - Field Offices
 - Site Preparation
 - Electrical



DBE Subconsultants

- Top subconsulting services on INDOT/LPA professional services (design/engineering) contracts:
 - Environmental
 - Geotechnical Services
 - Appraising/Buying Services
 - Surveying
 - Title Services
 - Wetland Mitigation
 - Air Quality Analysis/Permits
 - Traffic Signal Design
 - Traffic Data Collection
 - Right of Way Plan Development
 - Archaeological Investigations
 - Construction/Bridge Inspection



Prequalification is a Must!

- Firms that contract with INDOT may want to become Prequalified to indicate qualifications and competence
 - Business organization
 - Personnel
 - Experience
 - Equipment
 - Financial Condition
 - Quality of Financial Information



Prequalification is a Must!

- Most subcontractors/subconsultants must be prequalified with INDOT to participate on INDOT contracts over \$300,000.
- Prequalification requirements for contractors: <http://www.in.gov/indot/2740.htm>
- Prequalification requirements for professional services: <http://www.in.gov/indot/2732.htm>



How can I apply for DBE certification?

- INDOT, Economic Opportunity Division, reviews DBE certification applications for all DBE applicants in the State of Indiana.
- Application and other forms found online at <http://www.in.gov/indot/2748.htm>
- Applications and Personal Financial Statements must be printed, signed, notarized and mailed to INDOT.



ACDBE PROGRAM

- Mirrors Purpose of DBE
- Administered by FAA
- Counted toward FAA annual goals.



Airport Concession

- Definition of Concession
 - A for-profit business
 - Located on an airport and engaged in the sale of consumer goods or services to the public
 - Location Exceptions include:
 - Suppliers providing goods to a retail concession
 - Management contractor operating airport parking facility



Airport Concession

- A concession may be operated under various types of agreements such as :
 - Leases
 - Subleases
 - Permits
 - Contracts or Subcontracts



ACDBE

- Definition of ACDBE :
 - Concession
 - Meets DBE qualifications
 - Gross Receipt SBE size standards are greater:
 - *Airport Concessionaires - \$47,784,000*
 - *Banks & Financial - \$750,000,000*
 - *Car Rentals – \$63.71 million*
 - *Personal Net Worth: \$ 1,320,000*
 - *(ACDBEs have up to a \$3 million exclusion)*



ACDBE

- Definition of ACDBE (continued)
 - Personal Net Worth Exclusions:
 - Ownership interest in the ACDBE applying for ACDBE certification
 - Equity in his or her primary place of residence
 - Resource Assets:
 - Assets necessary to obtain financing or a franchise agreement for the initiation or expansion of the ACDBE firm to a maximum of \$3 Million



ACDBE

- Holding Companies

- Holding companies cannot be certified as ACDBEs or DBEs because they don't perform activities necessary to be considered under the regulations.



How do I apply for ACDBE Certification?

- Use same application and other forms as DBE Certification found on:
 - <http://www.in.gov/indot/2748.htm>
 - Section 2(B)(7) of the form that applicant is applying for ACDBE Certification.



ACDBE CERTIFICATION

- 4(C) of the form requires applicant to provide on separate page information concerning:
 - address/location
 - ownership/lease status
 - current value of property or lease
 - fees/lease payments paid to the airport.
- Onsite Reviews are required but may be conducted at principal place of business, if airport location has not yet been established.



CERTIFICATION TEAM

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